

**MINUTES-REGULAR MEETING
CITY OF GODDARD
118 NORTH MAIN, GODDARD, KS
TUESDAY FEBRUARY 16, 2016**

The Goddard City Council met in a Regular Session at Goddard City Hall on Tuesday, February 16, 2016 at 7:00 p.m. with Mayor Gregory presiding. Councilmember Zimmerman provided the invocation. Council members present were Joe Torske, Larry Zimmerman, Enrique Ramirez, and Chris Hahn. Councilmember Chris Hedrick was absent.

Also present were: Brian Silcott, City Administrator; Justin Constantino, Assistant to City Administrator; Teri Laymon, City Clerk; Kelly Bergeron, Community Development Director; Don McElroy, Police Chief; Matt Lawn, City Treasurer, and Harlan Foraker, City Engineer.

APPROVAL OF THE AGENDA

MOTION: Councilmember *Torske* moved to approve the agenda. Councilmember *Ramirez* seconded the motion. The motion carried unanimously.

CITIZENS' COMMENTS

None

PROCLAMATIONS, AWARDS, RECOGNITIONS & NOMINATIONS

Mayor Gregory, with the approval by City Council, appointed Lisa Fouts to the Library Board to serve from March 2016 through 2020. Gregory stated that Lisa Fouts would be replacing the expired term of Christine Gabel.

MOTION: Councilmember *Torske* moved to approve the appointment of Lisa Fouts to the Library Board. Councilmember *Ramirez* seconded the motion. The motion carried unanimously.

APPROVAL OF CONSENT AGENDA

Teri Laymon, City Clerk presented Minutes of the Meeting of February 1 2016; and two lists of Accounts Payable totaling \$45,237.02 for the City Council's approval.

MOTION: Councilmember *Ramirez* moved to approve the consent agenda. Councilmember *Torske* seconded the motion. The motion carried unanimously.

2016 SPRING CLEANUP DATE

Mayor Gregory introduced students from USD Eisenhower High School Student Council who presented to the Goddard City Council "Neighbors United", a community clean up event scheduled for April 23 in Goddard.

Kelly Bergeron, Community Development Director stated the Goddard Young Professionals, an affiliate group of the Goddard Chamber of Commerce, in partnership with the Eisenhower High School and Goddard High School Student Council, Pathway Church and other community

groups are planning a community service and clean up event called “Neighbors United” to coincide with the 2016 spring cleanup day.

Bergeron explained that spring cleanup has historically been held the second Saturday in May. In order to capitalize on the volunteer resources of “Neighbors United” the cleanup date needs to occur on Saturday, April 23. Bergeron said the estimated cost for reserving the dumpsters is \$2,500 and staff requests supplemental budgetary allocation of \$1,500 to offset the anticipated increased dumping fees associated with the “Neighbors United” campaign. Bergeron recommended the Council establish the 2016 spring clean-up for Saturday, April 23 with a budget of \$4,000.

MOTION: Councilmember *Torske* moved to establish the 2016 spring clean-up day for Saturday, April 23 and approve expenditures up to \$4,000.
Councilmember *Hahn* seconded the motion. The motion carried unanimously.

ZONING CODE UPDATE DISCUSSION

Kelly Bergeron presented a draft of updates to Articles 1, 2, 9, 11, and 12 of the City Zoning Code for the City Council to review. Bergeron said the changes discussed by the City Council would be taken to the Planning Commission for technical consideration and refinement on March 09, 2016. The proposed changes to the zoning code will be reviewed as a whole by legal counsel prior to the public hearing process.

No Action was taken

RESOLUTION CALLING FOR THE REPEAL OF THE STATE IMPOSED TAX LID

Brian Silcott, City Administrator, presented a draft resolution calling for the repeal of the State imposed tax lid. Brian Silcott explained that during the extended 2015 legislative session, after state and legislative staff had been furloughed the legislature adopted a property tax lid without hearings or a review by members on the floor.

Silcott provided several conditions within the law that the legislature created that are impractical and/or non-functional.

The proposed resolution reaffirms that local government is the best form of government because we serve and interact daily with the citizenry.

Silcott recommended the City Council adopt the proposed resolution calling for the repeal of Kansas State Legislature tax lid on local units of government.

MOTION: Councilmember *Torske* moved to adopt the resolution as presented.
Councilmember *Hahn* seconded the motion. The motion carried unanimously.

Resolution 16-05

STORMWATER MANAGEMENT POLICY

Justin Constantino, Assistant to City Administrator presented a proposed stormwater management policy and explained that in December 1999, the Environmental Protection Agency (EPA) enacted Phase II stormwater regulations requiring smaller municipalities in urbanized areas to obtain an MS4 permit and to develop and implement a stormwater management program.

The general requirements of the MS4 stormwater permit application requires that the City of Goddard implement Best Management Practices (BMPs) with measurable goals in an effort to promote stormwater management and alleviate the illicit discharge of stormwater to any water bodies or sanitary sewers within the City.

The City of Goddard will provide an annual stormwater report to KDHE detailing BMPs and measurable goals utilized to reduce illicit stormwater discharge. The City's public education and outreach campaign will consist of educational materials pertaining to stormwater management published in the Goddard Glance, on the Channel 7 television channel, and on the City of Goddard website. Residents will have the opportunity to contact city hall to report illicit discharge incidents 24-hours a day on the City's voicemail system.

The City is also required to implement a wet weather-monitoring program designed to assess the improvements in the water body due to the BMP control measures implemented under the stormwater management plan, in which four water samples will be collected by city staff annually and submitted to KDHE for analysis. Prior to January of 2018, the Community Development Department will be responsible for the implementation of construction site stormwater runoff control measures and post-construction stormwater management in new development and redevelopment projects.

There is an annual \$60.00 permit fee required for the MS4 permit. Additionally, the City will be responsible for four water-sampling kits on an annual basis for monitoring stormwater activity. The water sampling kits are roughly \$150 per kit, or \$600 per year total.

Staff recommends allocating the permit fee expenditure to the General fund, line item 10-581-6422 and the water sampling expenditure to the General Fund, line item 10-581-7320.

MOTION: Councilmember *Torske* moved to approve the stormwater management policy as presented. Councilmember *Ramirez* seconded the motion. The motion carried unanimously.

CONSIDER A SEWER RATE ORDINANCE

Matt Lawn, City Treasurer, stated that the City's wastewater utility has been running at a deficit since 2013. Lawn explained that revenue collections have failed to meet the dollar amounts predicted in annual budgets due in part to lower than anticipated consumption. Another reason is that growth in the customer base has been negligible. Since 2010, the wastewater customer base has grown by less than 1% per year.

At the same time, expenditure requirements have risen due to several factors. Costs for operations at the Wastewater Treatment Facility (WWTF) have been increased in an attempt to meet the benchmarks established by the Kansas Department of Health and Environment (KDHE). This has included higher costs for electricity, the purchase of chemicals, lab testing,

and facility maintenance. Additionally, as the WWTF has aged and the warranties on many of the components/parts/equipment expire, the cost to repair and/or replace them has driven expenditures higher.

In an attempt to limit the impact of these cost increases on the budget, allocations for transfers to reserves and utility infrastructure maintenance have been either trimmed significantly or eliminated altogether. Those utility infrastructure maintenance projects that could not be cut have been funded out of the Sewer Replacement Reserve Fund (Fund 83). Currently, Fund 83 has a cash balance of \$129,210.14. Any further expenditure from this fund will severely impair the City's ability to fund emergency repairs to the wastewater system should they be required.

The City currently pays \$437,711 in annual debt service fees, including \$403,001 on the WWTF and \$34,710 on the lagoons. Due to the graduated repayment schedule for the WWTF, the debt service obligation will total \$486,460 in 2019, and will increase to 534,960 in 2020. The methodology for this increase was reviewed and discussed in previous years during budget formulation and is based on 1,600 utility customers. The next scheduled debt service payment increase will begin with the September 2024 payment.

Lawn stated the current cash balance of the Sewer Fund (Fund 30) is \$263,458.10. So far this year, the Wastewater Utility has generated sewer sales of \$170,657.66 and another \$1,627.83 in penalty fees for late payments, for an operating revenue total of \$172,285.46. \$7,500 in hookup fees for the STAR Bond project were also collected. Operating expenses year-to-date total \$51,975.30. Another \$218,848.20 in debt service payments brings the Utility's total expenditure to \$270,823.50.

Lawn said to close the budget deficit anticipated for 2016 the base sewer rate would need to be raised to \$24.21 from the current base rate of \$15.87. To close the deficit anticipated for 2017, the base would need to be raised to \$25.25 beginning in September 2016. Rather than adopting such a high rate increase, staff recommends that beginning with the March 2016 billing cycle, that the sewer base rate be increased \$5 per month to \$20.87. Then the base rate could be adjusted up another \$1 beginning in September 2016 and again annually until September 2020. Spreading the needed rate increase over 5 years should limit the monthly financial impact on customers. The initial increase of \$5 per month beginning immediately should generate \$80,000 in 2016 and secure an adequate fund balance through the end of the year.

The proposed ordinance establishes the following sewer base rates.

<u>Current</u>	<u>March 1, 2016</u>	<u>September 20, 2016</u>	<u>September 20, 2017</u>
\$15.87	\$20.87	\$21.87	\$22.87
<u>September 20, 2018</u>	<u>September 20, 2019</u>	<u>September 20, 2020</u>	
\$23.87	\$24.87	\$25.87	

To lessen the impact of the 2019 and 2020 debt service payment increases, staff also recommends increasing the debt service by \$1.69 per year over the next three years so that revenue is sufficient to make the full payment in 2019. The first increase would be scheduled to begin with the September 2016 billing cycle.

The proposed ordinance establishes the following debt service fees:

<u>Current</u>	<u>September 20, 2016</u>	<u>September 20, 2017</u>	<u>September 20, 2018</u>
\$22.88	\$24.57	\$26.26	\$27.95

The proposed ordinance established the following combined sewer base rates and debt service fees:

<u>Current</u>	<u>March 1, 2016</u>	<u>September 20, 2016</u>	<u>September 20, 2017</u>
\$38.75	\$45.44	\$48.13	\$50.82
<u>September 20, 2018</u>	<u>September 20, 2019</u>	<u>September 20, 2020</u>	
\$51.82	\$52.82	\$53.82	

The current revenue estimate for 2016 is \$1,065,750. A \$5 per month debt service fee increase, beginning in March 2016, would generate an additional \$80,000 in total revenue for the year. A \$1 per month base rate increase, beginning in September 2016, would generate another \$4,800 in total revenue. While this additional revenue is not sufficient to eliminate the \$159,730 deficit projected for 2016, it should reduce the deficit to \$66,818. The 2017 deficit should drop from a projected \$179,800 to \$19,206.

The current debt service fee is generating an average of \$36,608 per month, or a projected amount of \$439,296 for 2016, which is \$95,704 short of the 2019 debt service payment. The proposed 2016, 2017, and 2018 increases will generate an additional \$8,112 per month/\$97,344 annually by the end of 2018. The proposed ordinance would raise the monthly debt service fee paid by our 1600 customers by \$1.69 per month (\$20.28 per year) beginning in each of the next three September billing cycles.

Lawn recommended the City Council: A) review and comment on the proposed ordinance; or B) Adopt the Ordinance.

Mayor Marcey Gregory stated that the City has put off raising rates with the anticipation of more growth to the economy.

Councilmember Hahn stated he does not think the increase will be enough. Hahn pointed out the charts that the treasurer presented and the significant decrease in fund balance in the sewer fund and in the sewer reserve fund over the last several years. Hahn also shared his concern that the fund balance would be too low to cover emergency expenditures.

Councilmember Torske stated that he is fine with the Treasurer's proposal.

Councilmember Zimmerman proposed raising the base rate to \$5.00 now and another \$2.50 in one year instead of an annual increase of \$1.00.

Councilmember Ramirez agreed with Councilmember Hahn. Ramirez stated that he knows that people are not happy with raising the rates; however, they are not here to hear what staff is saying.

Mayor Gregory said she would like to see a more gradual approach and said she does not want to raise the rates too much too soon. She continued that she feels this increase is too onerous on the rate payers and that she does not support the increase.

Councilmember Torske proposed increasing the base rate to \$6.00 immediately and \$1.00 increase per year. Torske said he does not want to see two increases in one year.

Councilmember Hahn proposed raising the base rate to \$8.00 immediately and another \$2.50 beginning September 20, 2016.

MOTION: Councilmember *Hahn* moved increase the base rate to 8:00 immediately with an annual increase of \$2.50 for the next three years, beginning September 2016, and an increase of \$1.69 per year over the next three years to the debt service fees. Councilmember *Zimmerman* seconded the motion. The motion carried with Councilmember Torske voting no.

MOTION: Councilmember *Hahn* moved recess for 5 minutes to allow time to amend the proposed Ordinance. Councilmember *Ramirez* seconded the motion. The motion carried unanimously.

The City Council recessed at 8:32 p.m. and reconvened at 8:37.

MOTION: Councilmember *Hahn* moved to waive the reading of the ordinance. Councilmember *Ramirez* seconded the motion. The motion carried unanimously.

MOTION: Councilmember *Hahn* moved to adopt said ordinance. Councilmember *Zimmerman* seconded the motion.

Roll Call Vote: Torske – No, Zimmerman – Yes, Ramirez – Yes, Hahn – Yes
Charter Ordinance #780

CITY ADMINISTRATOR'S REPORT

To: Honorable Mayor and City Council
From: Brian W. Silcott, City Administrator
Cc: Department Directors & Staff
Re: City Administrator Report for the week of February 16
Date: February 16, 2016

Below is a list of highlights of the week for the City organization.

Solid Waste Utility Discussion: Staff will present an overview on solid waste to begin the discussion on completing the transition to a single source vendor at the March 7 regular meeting. This item was last discussed in detail at the November 18, 2013 regular meeting.

Monument Sign Ordinance: Staff will present this ordinance for review and comment at the March 7 regular meeting. The ordinance has been reviewed and revised by City legal staff to conform with the United States Supreme Court's *Reed v. Town of Gilbert, Az* decision that prevents cities from making sign regulations addressing content. We can however address the structure of the signage.

Station 35 Staffing: I am reporting a concern regarding firefighter-staffing levels at Station 35. Regular staffing at the station is five firefighters; however, in an effort to curtail costs staffing is reduced to three firefighters. Please note that the taxpayers of the City of Goddard pays 18.371 mills into the Fire District that is governed by the Board of County Commissioners. This equates to \$693,814.58 annually to the fire district. Out of 10 cities that members of the fire district, Goddard is fourth largest contributor of funds. I only learned of this issue moments before tonight's meeting and will keep you apprised of the situation as I find out more facts.

Security Cameras & Lighting: This item is a priority and we will have an item presented at the March 21 regular meeting. The item will include cameras and lighting of City facilities, including parks and open space throughout the city.

Phone System RFP: I hope to this item for you in March. The system will need to integrate with the City's IT system and work at the Shop and Wastewater facility as well.

2016-2020 Capital Improvement Plan (CIP): Will be presented for approval at the March 7 meeting.

2016 Zoning Map: The zoning map will be presented for adoption at the March 7 meeting. This is a housekeeping item that occurs when there is a land use or boundary change, and when an error or oversight is noted.

Holy Spirit Pedestrian Crossing: This item will be scheduled for installation next week.

Linear Park Pavilion: Staff will present a request for project authorization at the March 7 meeting. This project is included in the 2016 CIP with a budget of \$200,000 and an estimated completion date of July 27 to be in use for the National Night out Festivities that will include the Goddard Lions Club anniversary.

UPCOMING MEETINGS & EVENTS:

- City Council Regular Meeting: **Monday, March 7** at 7pm in the City Council Chambers.

Respectfully Submitted,

Brian

Brian W. Silcott,
City Administrator

GOVERNING BODY COMMENTS

Councilmember Zimmerman stated that he regrets having to raise water rates but wants the

City to stay solvent.

Councilmember Hahn asked for an update on Open Gov. Matt Lawn stated he is in the process of uploading financials back to the year 2010.

Councilmember Hahn said he also regrets having to raise the water rates but said he thinks it is the prudent thing to do.

Mayor Gregory disagreed and stated that she thought staff presented a sufficient plan to keep the City solvent and the proposal would not have been such an extreme jump.

Mayor Gregory thanked staff for helping host the Sedgwick County Association of Cities (SCAC) meeting and stated there were about 20 people in attendance.

Mayor Gregory invited all to attend the Lions Club Breakfast on Saturday. Gregory said the breakfast goes to a good cause and provides scholarships for high school students.

ADJOURNMENT

MOTION: Councilmember ***Torske*** moved to adjourn the regular meeting.
Councilmember ***Ramirez*** seconded the motion. The motion carried unanimously.

Meeting adjourned at 8:52 p.m.
Teri Laymon, City Clerk